

**ASSEMBLY BILL**

**No. 145**

---

**Introduced by Assembly Member Gomez**

January 13, 2015

---

An act to amend Section 1095 of the Unemployment Insurance Code, relating to private employment, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 145, as introduced, Gomez. Public benefits reports.

Existing law requires, until January 1, 2020, the Director of Employment Development to permit the use of specified information in his or her possession by the Department of Finance to prepare and submit to the Legislature a report that identifies all employers in California that employ 50 or more employees who receive benefits from the Medi-Cal program. Existing law requires the Department of Finance to transmit to the Legislature and post on the department's Web site a report that lists the 500 employers in the state with the most number of employees enrolled in the Medi-Cal program, as specified, and defines an employer for this purpose as an individual or organization that employs 100 or more Medi-Cal beneficiaries who meet certain criteria.

This bill would revise the requirement applicable to the Director of Employment Development to permit the use of specified information by the Department of Finance to prepare and submit a report that identifies all employers in California that employ 100 or more employees who receive Medi-Cal benefits.

This bill would declare that it is to take effect immediately as an urgency statute.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1095 of the Unemployment Insurance  
2 Code is amended to read:

3 1095. The director shall permit the use of any information in  
4 his or her possession to the extent necessary for any of the  
5 following purposes and may require reimbursement for all direct  
6 costs incurred in providing any and all information specified in  
7 this section, except information specified in subdivisions (a) to  
8 (e), inclusive:

9 (a) To enable the director or his or her representative to carry  
10 out his or her responsibilities under this code.

11 (b) To properly present a claim for benefits.

12 (c) To acquaint a worker or his or her authorized agent with his  
13 or her existing or prospective right to benefits.

14 (d) To furnish an employer or his or her authorized agent with  
15 information to enable him or her to fully discharge his or her  
16 obligations or safeguard his or her rights under this division or  
17 Division 3 (commencing with Section 9000).

18 (e) To enable an employer to receive a reduction in contribution  
19 rate.

20 (f) To enable federal, state, or local governmental departments  
21 or agencies, subject to federal law, to verify or determine the  
22 eligibility or entitlement of an applicant for, or a recipient of, public  
23 social services provided pursuant to Division 9 (commencing with  
24 Section 10000) of the Welfare and Institutions Code, or Part A of  
25 Title IV of the federal Social Security Act (42 U.S.C. Sec. 601 et  
26 seq.), where the verification or determination is directly connected  
27 with, and limited to, the administration of public social services.

28 (g) To enable county administrators of general relief or  
29 assistance, or their representatives, to determine entitlement to  
30 locally provided general relief or assistance, where the  
31 determination is directly connected with, and limited to, the  
32 administration of general relief or assistance.

1 (h) To enable state or local governmental departments or  
2 agencies to seek criminal, civil, or administrative remedies in  
3 connection with the unlawful application for, or receipt of, relief  
4 provided under Division 9 (commencing with Section 10000) of  
5 the Welfare and Institutions Code or to enable the collection of  
6 expenditures for medical assistance services pursuant to Part 5  
7 (commencing with Section 17000) of Division 9 of the Welfare  
8 and Institutions Code.

9 (i) To provide any law enforcement agency with the name,  
10 address, telephone number, birth date, social security number,  
11 physical description, and names and addresses of present and past  
12 employers, of any victim, suspect, missing person, potential  
13 witness, or person for whom a felony arrest warrant has been  
14 issued, when a request for this information is made by any  
15 investigator or peace officer as defined by Sections 830.1 and  
16 830.2 of the Penal Code, or by any federal law enforcement officer  
17 to whom the Attorney General has delegated authority to enforce  
18 federal search warrants, as defined under Sections 60.2 and 60.3  
19 of Title 28 of the Code of Federal Regulations, as amended, and  
20 when the requesting officer has been designated by the head of  
21 the law enforcement agency and requests this information in the  
22 course of and as a part of an investigation into the commission of  
23 a crime when there is a reasonable suspicion that the crime is a  
24 felony and that the information would lead to relevant evidence.  
25 The information provided pursuant to this subdivision shall be  
26 provided to the extent permitted by federal law and regulations,  
27 and to the extent the information is available and accessible within  
28 the constraints and configurations of existing department records.  
29 Any person who receives any information under this subdivision  
30 shall make a written report of the information to the law  
31 enforcement agency that employs him or her, for filing under the  
32 normal procedures of that agency.

33 (1) This subdivision shall not be construed to authorize the  
34 release to any law enforcement agency of a general list identifying  
35 individuals applying for or receiving benefits.

36 (2) The department shall maintain records pursuant to this  
37 subdivision only for periods required under regulations or statutes  
38 enacted for the administration of its programs.

1 (3) This subdivision shall not be construed as limiting the  
2 information provided to law enforcement agencies to that pertaining  
3 only to applicants for, or recipients of, benefits.

4 (4) The department shall notify all applicants for benefits that  
5 release of confidential information from their records will not be  
6 protected should there be a felony arrest warrant issued against  
7 the applicant or in the event of an investigation by a law  
8 enforcement agency into the commission of a felony.

9 (j) To provide public employee retirement systems in California  
10 with information relating to the earnings of any person who has  
11 applied for or is receiving a disability income, disability allowance,  
12 or disability retirement allowance, from a public employee  
13 retirement system. The earnings information shall be released only  
14 upon written request from the governing board specifying that the  
15 person has applied for or is receiving a disability allowance or  
16 disability retirement allowance from its retirement system. The  
17 request may be made by the chief executive officer of the system  
18 or by an employee of the system so authorized and identified by  
19 name and title by the chief executive officer in writing.

20 (k) To enable the Division of Labor Standards Enforcement in  
21 the Department of Industrial Relations to seek criminal, civil, or  
22 administrative remedies in connection with the failure to pay, or  
23 the unlawful payment of, wages pursuant to Chapter 1  
24 (commencing with Section 200) of Part 1 of Division 2 of, and  
25 Chapter 1 (commencing with Section 1720) of Part 7 of Division  
26 2 of, the Labor Code.

27 (l) To enable federal, state, or local governmental departments  
28 or agencies to administer child support enforcement programs  
29 under Part D of Title IV of the federal Social Security Act (42  
30 U.S.C. Sec. 651 et seq.).

31 (m) To provide federal, state, or local governmental departments  
32 or agencies with wage and claim information in its possession that  
33 will assist those departments and agencies in the administration  
34 of the Victims of Crime Program or in the location of victims of  
35 crime who, by state mandate or court order, are entitled to  
36 restitution that has been or can be recovered.

37 (n) To provide federal, state, or local governmental departments  
38 or agencies with information concerning any individuals who are  
39 or have been:

1 (1) Directed by state mandate or court order to pay restitution,  
2 fines, penalties, assessments, or fees as a result of a violation of  
3 law.

4 (2) Delinquent or in default on guaranteed student loans or who  
5 owe repayment of funds received through other financial assistance  
6 programs administered by those agencies. The information released  
7 by the director for the purposes of this paragraph shall not include  
8 unemployment insurance benefit information.

9 (o) To provide an authorized governmental agency with any or  
10 all relevant information that relates to any specific workers'  
11 compensation insurance fraud investigation. The information shall  
12 be provided to the extent permitted by federal law and regulations.  
13 For the purposes of this subdivision, "authorized governmental  
14 agency" means the district attorney of any county, the office of  
15 the Attorney General, the Contractors' State License Board, the  
16 Department of Industrial Relations, and the Department of  
17 Insurance. An authorized governmental agency may disclose this  
18 information to the State Bar, the Medical Board of California, or  
19 any other licensing board or department whose licensee is the  
20 subject of a workers' compensation insurance fraud investigation.  
21 This subdivision shall not prevent any authorized governmental  
22 agency from reporting to any board or department the suspected  
23 misconduct of any licensee of that body.

24 (p) To enable the Director of Consumer Affairs, or his or her  
25 representatives, to access unemployment insurance quarterly wage  
26 data on a case-by-case basis to verify information on school  
27 administrators, school staff, and students provided by those schools  
28 who are being investigated for possible violations of Chapter 8  
29 (commencing with Section 94800) of Part 59 of Division 10 of  
30 Title 3 of the Education Code.

31 (q) To provide employment tax information to the tax officials  
32 of Mexico, if a reciprocal agreement exists. For purposes of this  
33 subdivision, "reciprocal agreement" means a formal agreement to  
34 exchange information between national taxing officials of Mexico  
35 and taxing authorities of the State Board of Equalization, the  
36 Franchise Tax Board, and the Employment Development  
37 Department. Furthermore, the reciprocal agreement shall be limited  
38 to the exchange of information that is essential for tax  
39 administration purposes only. Taxing authorities of the State of  
40 California shall be granted tax information only on California

1 residents. Taxing authorities of Mexico shall be granted tax  
2 information only on Mexican nationals.

3 (r) To enable city and county planning agencies to develop  
4 economic forecasts for planning purposes. The information shall  
5 be limited to businesses within the jurisdiction of the city or county  
6 whose planning agency is requesting the information, and shall  
7 not include information regarding individual employees.

8 (s) To provide the State Department of Developmental Services  
9 with wage and employer information that will assist in the  
10 collection of moneys owed by the recipient, parent, or any other  
11 legally liable individual for services and supports provided pursuant  
12 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,  
13 and Chapter 2 (commencing with Section 7200) and Chapter 3  
14 (commencing with Section 7500) of Division 7 of, the Welfare  
15 and Institutions Code.

16 (t) To provide the State Board of Equalization with employment  
17 tax information that will assist in the administration of tax  
18 programs. The information shall be limited to the exchange of  
19 employment tax information essential for tax administration  
20 purposes to the extent permitted by federal law and regulations.

21 (u) Nothing in this section shall be construed to authorize or  
22 permit the use of information obtained in the administration of this  
23 code by any private collection agency.

24 (v) The disclosure of the name and address of an individual or  
25 business entity that was issued an assessment that included  
26 penalties under Section 1128 or 1128.1 shall not be in violation  
27 of Section 1094 if the assessment is final. The disclosure may also  
28 include any of the following:

29 (1) The total amount of the assessment.

30 (2) The amount of the penalty imposed under Section 1128 or  
31 1128.1 that is included in the assessment.

32 (3) The facts that resulted in the charging of the penalty under  
33 Section 1128 or 1128.1.

34 (w) To enable the Contractors' State License Board to verify  
35 the employment history of an individual applying for licensure  
36 pursuant to Section 7068 of the Business and Professions Code.

37 (x) To provide any peace officer with the Division of  
38 Investigation in the Department of Consumer Affairs information  
39 pursuant to subdivision (i) when the requesting peace officer has  
40 been designated by the chief of the Division of Investigation and

1 requests this information in the course of and as part of an  
2 investigation into the commission of a crime or other unlawful act  
3 when there is reasonable suspicion to believe that the crime or act  
4 may be connected to the information requested and would lead to  
5 relevant information regarding the crime or unlawful act.

6 (y) To enable the Labor Commissioner of the Division of Labor  
7 Standards Enforcement in the Department of Industrial Relations  
8 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully  
9 uninsured employers. The information shall be provided to the  
10 extent permitted by federal law and regulations.

11 (z) To enable the Chancellor of the California Community  
12 Colleges, in accordance with the requirements of Section 84754.5  
13 of the Education Code, to obtain quarterly wage data, commencing  
14 January 1, 1993, on students who have attended one or more  
15 community colleges, to assess the impact of education on the  
16 employment and earnings of students, to conduct the annual  
17 evaluation of district-level and individual college performance in  
18 achieving priority educational outcomes, and to submit the required  
19 reports to the Legislature and the Governor. The information shall  
20 be provided to the extent permitted by federal statutes and  
21 regulations.

22 (aa) To enable the Public Employees' Retirement System to  
23 seek criminal, civil, or administrative remedies in connection with  
24 the unlawful application for, or receipt of, benefits provided under  
25 Part 3 (commencing with Section 20000) of Division 5 of Title 2  
26 of the Government Code.

27 (ab) To enable the State Department of Education, the University  
28 of California, the California State University, and the Chancellor  
29 of the California Community Colleges, pursuant to the  
30 requirements prescribed by the federal American Recovery and  
31 Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly  
32 wage data, commencing July 1, 2010, on students who have  
33 attended their respective systems to assess the impact of education  
34 on the employment and earnings of those students, to conduct the  
35 annual analysis of district-level and individual district or  
36 postsecondary education system performance in achieving priority  
37 educational outcomes, and to submit the required reports to the  
38 Legislature and the Governor. The information shall be provided  
39 to the extent permitted by federal statutes and regulations.

1 (ac) To provide the Agricultural Labor Relations Board with  
2 employee, wage, and employer information, for use in the  
3 investigation or enforcement of the  
4 Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations  
5 Act of 1975 (Part 3.5 (commencing with Section 1140) of Division  
6 2 of the Labor Code). The information shall be provided to the  
7 extent permitted by federal statutes and regulations.

8 (ad) (1) To enable the State Department of Health Care  
9 Services, the California Health Benefit Exchange, the Managed  
10 Risk Medical Insurance Board, and county departments and  
11 agencies to obtain information regarding employee wages,  
12 California employer names and account numbers, employer reports  
13 of wages and number of employees, and disability insurance and  
14 unemployment insurance claim information, for the purpose of:

15 (A) Verifying or determining the eligibility of an applicant for,  
16 or a recipient of, state health subsidy programs, limited to the  
17 Medi-Cal Program, provided pursuant to Chapter 7 (commencing  
18 with Section 14000) of Part 3 of Division 9 of the Welfare and  
19 Institutions Code; the Healthy Families Program, provided pursuant  
20 to Part 6.2 (commencing with Section 12693) of Division 2 of the  
21 Insurance Code; and the Access for Infants and Mothers Program,  
22 provided pursuant to Part 6.3 (commencing with Section 12695)  
23 of Division 2 of the Insurance Code; where the verification or  
24 determination is directly connected with, and limited to, the  
25 administration of the state health subsidy programs referenced in  
26 this subparagraph.

27 (B) Verifying or determining the eligibility of an applicant for,  
28 or a recipient of, federal subsidies offered through the California  
29 Health Benefit Exchange, provided pursuant to Title 22  
30 (commencing with Section 100500) of the Government Code,  
31 including federal tax credits and cost-sharing assistance pursuant  
32 to the federal Patient Protection and Affordable Care Act (Public  
33 Law 111-148), as amended by the federal Health Care and  
34 Education Reconciliation Act of 2010 (Public Law 111-152), where  
35 the verification or determination is directly connected with, and  
36 limited to, the administration of the California Health Benefit  
37 Exchange.

38 (C) Verifying or determining the eligibility of employees and  
39 employers for health coverage through the Small Business Health  
40 Options Program, provided pursuant to Section 100502 of the



1 Government Code, where the verification or determination is  
2 directly connected with, and limited to, the administration of the  
3 Small Business Health Options Program.

4 (2) The information provided under this subdivision shall be  
5 subject to the requirements of, and provided to the extent permitted  
6 by, federal law and regulations, including Part 603 of Title 20 of  
7 the Code of Federal Regulations.

8 (ae) To provide any peace officer with the Investigations  
9 Division of the Department of Motor Vehicles with information  
10 pursuant to subdivision (i), when the requesting peace officer has  
11 been designated by the Chief of the Investigations Division and  
12 requests this information in the course of, and as part of, an  
13 investigation into identity theft, counterfeiting, document fraud,  
14 or consumer fraud, and there is reasonable suspicion that the crime  
15 is a felony and that the information would lead to relevant evidence  
16 regarding the identity theft, counterfeiting, document fraud, or  
17 consumer fraud. The information provided pursuant to this  
18 subdivision shall be provided to the extent permitted by federal  
19 law and regulations, and to the extent the information is available  
20 and accessible within the constraints and configurations of existing  
21 department records. Any person who receives any information  
22 under this subdivision shall make a written report of the  
23 information to the Investigations Division of the Department of  
24 Motor Vehicles, for filing under the normal procedures of that  
25 division.

26 (af) Until January 1, 2020, to enable the Department of Finance  
27 to prepare and submit the report required by Section 13084 of the  
28 Government Code that identifies all employers in California that  
29 employ ~~50~~ 100 or more employees who receive benefits from the  
30 Medi-Cal program (Chapter 7 (commencing with Section 14000)  
31 of Part 3 of Division 9 of the Welfare and Institutions Code). The  
32 information used for this purpose shall be limited to information  
33 obtained pursuant to Section 11026.5 of the Welfare and  
34 Institutions Code and from the administration of personal income  
35 tax wage withholding pursuant to Division 6 (commencing with  
36 Section 13000) and the disability insurance program and may be  
37 disclosed to the Department of Finance only for the purpose of  
38 preparing and submitting the report and only to the extent not  
39 prohibited by federal law.

1 (ag) To provide, to the extent permitted by federal law and  
2 regulations, the Student Aid Commission with wage information  
3 in order to verify the employment status of an individual applying  
4 for a Cal Grant C award pursuant to subdivision (c) of Section  
5 69439 of the Education Code.

6 (ah) To enable the Department of Corrections and Rehabilitation  
7 to obtain quarterly wage data of former inmates who have been  
8 incarcerated within the prison system in order to assess the impact  
9 of rehabilitation services or the lack of these services on the  
10 employment and earnings of these former inmates. Quarterly data  
11 for a former inmate's employment status and wage history shall  
12 be provided for a period of one year, three years, and five years  
13 following release. The data shall only be used for the purpose of  
14 tracking outcomes for former inmates in order to assess the  
15 effectiveness of rehabilitation strategies on the wages and  
16 employment histories of those formerly incarcerated. The  
17 information shall be provided to the department to the extent not  
18 prohibited by federal law.

19 SEC. 2. This act is an urgency statute necessary for the  
20 immediate preservation of the public peace, health, or safety within  
21 the meaning of Article IV of the Constitution and shall go into  
22 immediate effect. The facts constituting the necessity are:

23 In order to provide clarity to employers of Medi-Cal beneficiaries  
24 regarding the reporting requirements established by A.B. 1792 of  
25 the 2014 Regular Session, which became effective on January 1,  
26 2015, it is necessary that this act go into effect immediately.